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FISCAL IMPACT STATEMENT

LS 6640

BILL NUMBER: HB 1188

NOTE PREPARED: Dec 17, 2002

BILL AMENDED:

SUBJECT: ISTEP waiver for children with disabilities.

FIRST AUTHOR: Rep. Stilwell

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill changes certain requirements for a student with a disability to receive a waiver to graduate from high school without passing the graduation examination. The bill requires a student who seeks a waiver to: (1) attain the goals established by the student's individual educational program rather than to attain the academic standard in a subject area; and (2) maintain a passing grade rather than a "C" average.

Effective Date: Upon passage.

Explanation of State Expenditures: *Summary:* Local school corporations (via case conference committees for students with disabilities) would have more flexibility in deciding whether certain students could be awarded a high school diploma based on goals established by the student's individual educational program and on passing grades determined by case conference committees.

Under the bill, the impact on local expenditures are currently indeterminable and would vary by school corporation dependant upon local action.

Background: ISTEP+ is Indiana's statewide student assessment program which is currently given in Grades 3, 6, 8, and 10. ISTEP+ includes both norm- and criterion-referenced components, is administered in the fall, and is based upon proficiencies from the previous year.

The norm-referenced component of ISTEP+ compares a student's performance to the performance of a statistically representative sampling of U.S. students. The criterion component of ISTEP+ (which includes English/Language Arts and Mathematics subject areas) measures student performance against the Indiana

Academic Standard (an expectation of student achievement developed by the State Standards Task Force).

Beginning with the graduating class of the 1999-2000 school year, students who expected to graduate with a diploma were required to either: (1) complete all high school graduation credit requirements in addition to receiving a score at or above the Indiana Academic Standard on the Examination; (2) successfully complete all components of the CORE 40 curriculum; or (3) successfully appeal the examination test results in accordance with current law. A student who does not receive a score at or above the Indiana Academic Standard may retake the examination during each semester of each grade following the grade in which the student is initially tested.

Through the spring of 2001 testing session, approximately 83% of the 2000-2001 and approximately 75% of the 2001-2002 graduating class received a score at or above the Indiana Academic Standard on the examination.

For FY 2003, \$40,174,677 were appropriated from the state General Fund and state dedicated funds for ISTEP+ testing and remediation (Grades 3, 6, 8, and 10). Of this amount, approximately \$19 M were distributed to eligible school corporations for preventative and regular remediation and approximately \$20 M were distributed for test development and administration.

Students With Disabilities

Students with disabilities may also appeal ISTEP+ test results in accordance with current law. A student's case conference committee may determine that the student is eligible to graduate with a diploma if certain criteria have been met.

The 2001-2002 graduating class had 5,010 special education students graduating. Of this number, 79% (3,944) received a diploma and the remaining 21% (1,066) received a certificate of completion. About 20% of the 2001-2002 school year Grade 10 special education students passed the English/Language Arts portion of the ISTEP+ examination, and 24% passed the Mathematics portion of the ISTEP+ examination.

Of the students with disabilities in the graduating class of the 1999-2000 school year who have taken ISTEP+, 55.5% received a score at or above the Indiana Academic Standard. Approximately 23% of the remaining 44.5% graduated high school with a diploma via the existing appeal provision.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: School corporations.

Information Sources: Wes Bruce, Department of Education, (317) 232-9050; Bob Marra, Division of Special Education, Department of Education, (317) 232-0570; *Indiana Annual State Report Card 2002*; Department of Education Internet site: <http://ideanet.doe.state.in.us>; State of Indiana, *List of Appropriations (July 1, 2001, to June 30, 2003)*.

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